

# ASSEMBLY, No. 5052

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# STATE OF NEW JERSEY

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## 221st LEGISLATURE

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INTRODUCED DECEMBER 9, 2024

**Sponsored by:**

Assemblywoman ANDREA KATZ  
District 8 (Atlantic and Burlington)  
Assemblywoman LINDA S. CARTER  
District 22 (Somerset and Union)  
Assemblywoman ROSAURA "ROSY" BAGOLIE  
District 27 (Essex and Passaic)  
Senator JOSEPH F. VITALE  
District 19 (Middlesex)  
Senator NICHOLAS P. SCUTARI  
District 22 (Somerset and Union)

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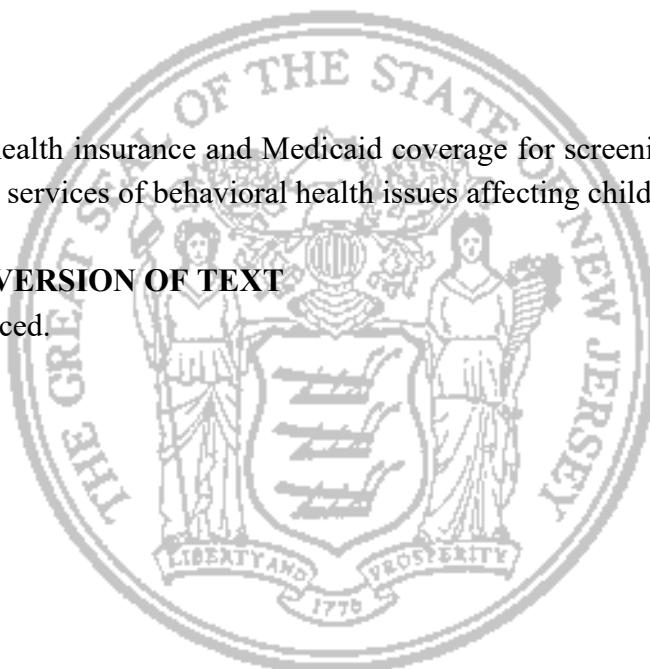
Assemblywomen Donlon, Peterpaul, Assemblyman Schnall,  
Assemblywomen Swain, Reynolds-Jackson, McCoy, Haider, Assemblymen  
Bailey, Stanley, Senators Diegnan, Zwicker, Greenstein, Burgess, Ruiz,  
McKnight and Timberlake

**SYNOPSIS**

Requires health insurance and Medicaid coverage for screening, prevention, and treatment services of behavioral health issues affecting children.

**CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 1/12/2026)

1   **AN ACT** concerning insurance and Medicaid coverage for preventive  
2   care for developmental and behavioral needs in children and  
3   supplementing various parts of the statutory law.

4

5   **BE IT ENACTED** by the Senate and General Assembly of the State  
6   of New Jersey:

7

8   1. a. A carrier that offers a health benefits plan in this State shall  
9   provide benefits to any subscriber for medical expenses incurred in  
10   screening, prevention, and treatment services of behavioral health  
11   issues in children. A carrier shall accept and reimburse claims for  
12   screening, prevention, and treatment using an at-risk diagnosis.

13   b. The benefits shall be provided to the same extent as for any  
14   other service, drug, device, product, or procedure under the contract.

15   c. As used in this section:

16   “At-risk diagnosis” means a diagnosis made after consideration of  
17   factors influencing behavioral health and child development, such as  
18   family circumstances or life challenges, that does not lead to a formal  
19   mental health diagnosis and instead, promotes preventive care.  
20   Allowing providers to bill for an “at-risk diagnosis” authorizes  
21   providers to use an alternative code, including a Social Determinants  
22   of Health Z-code, to the codes of the American Psychiatric  
23   Association Diagnostic and Statistical Manual of Mental Disorders  
24   or the Diagnostic Classification of Mental Health and Developmental  
25   Disorders of Infancy and Early Childhood, when billing for services,  
26   without a formal mental health diagnosis, for children who are 18  
27   years of age or younger.

28   “Carrier” means an insurance company, health service  
29   corporation, hospital service corporation, medical service  
30   corporation, or health maintenance organization authorized to issue  
31   health benefits plans in this State.

32   “Screening, prevention, and treatment” includes the prevention  
33   and early identification of mental health conditions, without a  
34   behavioral health diagnosis. Services may include, but are not  
35   limited to, screenings and individual, group, and family  
36   psychotherapy to individuals with potential mental health disorders  
37   not yet diagnosed.

38

39   2. a. The State Health Benefits Commission shall ensure that  
40   every contract purchased by the commission on or after the effective  
41   date of this act that provides hospital and medical expense benefits  
42   shall provide benefits to any covered person for medical expenses  
43   incurred in the screening, prevention, and treatment services of  
44   behavioral health issues in children. The contract shall allow for  
45   acceptance and reimbursement of claims for screening, prevention,  
46   and treatment using an at-risk diagnosis.

47   b. The benefits shall be provided to the same extent as for any  
48   other service, drug, device, product, or procedure under the contract.

1       c. As used in this section:

2       “At-risk diagnosis” means a diagnosis made after consideration of  
3 factors influencing behavioral health and child development, such as  
4 family circumstances or life challenges, that does not lead to a formal  
5 mental health diagnosis and instead, promotes preventive care.  
6 Allowing providers to bill for an “at-risk diagnosis” authorizes  
7 providers to use an alternative code, including a Social Determinants  
8 of Health Z-code, to the codes of the American Psychiatric  
9 Association Diagnostic and Statistical Manual of Mental Disorders  
10 or the Diagnostic Classification of Mental Health and Developmental  
11 Disorders of Infancy and Early Childhood, when billing for services,  
12 without a formal mental health diagnosis, for children who are 18  
13 years of age or younger.

14       “Screening, prevention, and treatment” includes the prevention  
15 and early identification of mental health conditions, without a  
16 behavioral health diagnosis. Services may include, but are not  
17 limited to, screenings and individual, group, and family  
18 psychotherapy to individuals with potential mental health disorders  
19 not yet diagnosed.

20

21       3. a. The School Employees' Health Benefits Commission shall  
22 ensure that every contract purchased by the commission on or after  
23 the effective date of this act that provides hospital and medical  
24 expense benefits shall provide benefits to any covered person for  
25 medical expenses incurred in the screening, prevention, and  
26 treatment services of behavioral health issues in children. The  
27 contract shall allow for acceptance and reimbursement of claims for  
28 screening, prevention, and treatment using an at-risk diagnosis.

29       b. The benefits shall be provided to the same extent as for any  
30 other service, drug, device, product, or procedure under the contract.

31       c. As used in this section:

32       “At-risk diagnosis” means a diagnosis made after consideration of  
33 factors influencing behavioral health and child development, such as  
34 family circumstances or life challenges, that does not lead to a formal  
35 mental health diagnosis and instead, promotes preventive care.  
36 Allowing providers to bill for an “at-risk diagnosis” authorizes  
37 providers to use an alternative code, including a Social Determinants  
38 of Health Z-code, to the codes of the American Psychiatric  
39 Association Diagnostic and Statistical Manual of Mental Disorders  
40 or the Diagnostic Classification of Mental Health and Developmental  
41 Disorders of Infancy and Early Childhood, when billing for services,  
42 without a formal mental health diagnosis, for children who are 18  
43 years of age or younger.

44       “Screening, prevention, and treatment” includes the prevention  
45 and early identification of mental health conditions, without a  
46 behavioral health diagnosis. Services may include, but are not  
47 limited to, screenings and individual, group, and family

1 psychotherapy to individuals with potential mental health disorders  
2 not yet diagnosed.

3

4       4. a. Notwithstanding any law, rule, or regulation to the contrary,  
5 the Division of Medical Assistance and Health Services within the  
6 Department of Human Services, or a managed care organization that  
7 contracts with the division to provide medical services to  
8 beneficiaries of the NJ FamilyCare program, shall ensure the  
9 provision of benefits for medical expenses incurred in screening,  
10 prevention, and treatment services of behavioral health issues in  
11 children. The division or the managed care organization shall accept  
12 and reimburse claims for screening, prevention, and treatment using  
13 an at-risk diagnosis.

14       b. The department may take any administrative action necessary  
15 to effectuate the provisions of this section, including modifying or  
16 amending any applicable contract or promulgating, amending, or  
17 repealing any guidance, guidelines, or rules, which rules or  
18 amendments thereto shall be effective immediately upon filing with  
19 the Office of Administrative Law for a period not to exceed 12  
20 months, and may, thereafter, be amended, adopted or readopted in  
21 accordance with the provisions of the “Administrative Procedure  
22 Act,” P.L.1968, c.410 (C.52:14B-1 et seq.).

23       c. The Commissioner of Human Services shall apply for such  
24 State plan amendments or waivers as may be necessary to implement  
25 the provisions of this section and to secure federal financial  
26 participation for State Medicaid expenditures under the federal  
27 Medicaid program.

28       d. As used in this section:

29       “*At-risk diagnosis*” means a diagnosis made after consideration of  
30 factors influencing behavioral health and child development, such as  
31 family circumstances or life challenges, that does not lead to a formal  
32 mental health diagnosis and instead, promotes preventive care.  
33 Allowing providers to bill for an “*at-risk diagnosis*” authorizes  
34 providers to use an alternative code, including a Social Determinants  
35 of Health Z-code, to the codes of the American Psychiatric  
36 Association Diagnostic and Statistical Manual of Mental Disorders  
37 or the Diagnostic Classification of Mental Health and Developmental  
38 Disorders of Infancy and Early Childhood, when billing for services,  
39 without a formal mental health diagnosis, for children who are 18  
40 years of age or younger.

41       “*Screening, prevention, and treatment*” includes the prevention  
42 and early identification of mental health conditions, without a  
43 behavioral health diagnosis. Services may include, but are not  
44 limited to, screenings and individual, group, and family  
45 psychotherapy to individuals with potential mental health disorders  
46 not yet diagnosed.

1       5. This act shall take effect on the 90th day next following  
2 enactment and shall apply to policies, plans, and contracts delivered,  
3 executed, issued, or renewed on or after that date.

4

5

6 STATEMENT

1

8 This bill requires health insurers (health, hospital and medical  
9 service corporations, commercial individual and group health  
10 insurers, health maintenance organizations, health benefits plans  
11 issued pursuant to the New Jersey Individual Health Coverage and  
12 Small Employer Health Benefits Programs, the State Health Benefits  
13 Program, and the School Employees' Health Benefits Program) and  
14 the State Medicaid program to provide benefits to any covered person  
15 for medical expenses incurred relating to screening, prevention, and  
16 treatment of behavioral health issues in children. Carriers and the  
17 State Medicaid program are required to accept and reimburse claims  
18 for screening, prevention, and treatment using an at-risk diagnosis.

19 As used in the bill, an “at-risk diagnosis” is a diagnosis made after  
20 consideration of factors influencing behavioral health and child  
21 development, such as family circumstances or life challenges, that  
22 does not lead to a formal mental health diagnosis and instead,  
23 promotes preventive care. Allowing providers to bill for an “at-risk  
24 diagnosis” authorizes providers to use an alternative code, including  
25 a Social Determinants of Health Z-code, to the codes of the American  
26 Psychiatric Association Diagnostic and Statistical Manual of Mental  
27 Disorders or the Diagnostic Classification of Mental Health and  
28 Developmental Disorders of Infancy and Early Childhood when  
29 billing for services, without a formal mental health diagnosis for  
30 children who are 18 years of age or younger.